(b) India's forex reserves amounted to US $70.4 billion at end-December 2002. This indicated an increase of US $22.3 billion during 2002. During 2003, total reserves have increased by US $12.9 billion during January to 11 July 2003 and amounted to US$83.3 billion on July 11, 2003.

(c) Taking advantage of the comfortable reserves position and low interest rate regime, certain high cost foreign currency loans from the Asian Development Bank (ADB) and the World Bank, amounting to around US $ 3 billion, have been prepaid in February 2003. Norms for prepayment of external debt by corporates have also been simplified. The policy of prudently managing the external liabilities and proactively liquidating relatively higher cost component of our external debt is proposed to be continued.

Ban on stapling of currency notes

173. SHRI AIMADUDDIN AHMAD KHAN (DURRU): Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 4702 given in the Raya Sabha on the 6th May, 2003 and state:

(a) whether PSU banks have demanded the installation of note counting machines in their branches so that instead of stapling, currency notes could be counted as per demands of the customers and then tied with rubber bands; and

(b) if so, the present status of meeting the demands of PSU banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) Reserve Bank of India (RBI) has instructed all banks to stop the practice of stapling of note packets with immediate effect and instead use paper/polymer/twine bands for securing note packets. RBI has also advised banks to install dual display note counting machines at their counters to facilitate counting of packets by the customers to their satisfaction, if they so desire. Banks have made and/or in the process of making alternate arrangements for securing the note packets and have taken steps to issue and to receive notes in unstapled conditions.